

104TH CONGRESS
1ST SESSION

H. R. 1012

To require equal coverage under a health plan for all children under the age of 27 of an individual who enrolls in the plan under a family class of enrollment.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 22, 1995

Mr. BAKER of California (for himself, Mr. LATOURETTE, and Mr. MILLER of Florida) introduced the following bill; which was referred to the Committee on Commerce and, in addition, to the Committees on Economic and Educational Opportunities and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require equal coverage under a health plan for all children under the age of 27 of an individual who enrolls in the plan under a family class of enrollment.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Family Health Care
5 Coverage Act”.

1 **SEC. 2. FAMILY COVERAGE OF CHILDREN.**

2 (a) IN GENERAL.—In the case of an individual en-
3 rolled in a health plan under a family class of enrollment,
4 the carrier providing the plan, or the plan sponsor spon-
5 soring or maintaining the plan, shall offer and provide
6 equal coverage under the plan to any child of the individ-
7 ual, if the child elects to receive coverage pursuant to such
8 family enrollment.

9 (b) DEFINITIONS.—For purposes of this section:

10 (1) CARRIER.—The term “carrier” means a li-
11 censed insurance company, a hospital or medical
12 service corporation (including an existing Blue Cross
13 or Blue Shield organization, within the meaning of
14 section 833(c)(2) of the Internal Revenue Code of
15 1986), a health maintenance organization, or any
16 other entity (other than a plan sponsor) licensed or
17 certified by a State to provide health insurance or
18 health benefits.

19 (2) CHILD.—

20 (A) IN GENERAL.—The term “child”
21 means an individual who—

22 (i) is less than 27 years of age;

23 (ii) has never been married;

24 (iii) has no dependents; and

25 (iv) has a parent-child relationship
26 with another individual who is eligible to

1 enroll in a health plan under a family class
2 of enrollment.

3 (B) APPLICATION OF STATE LAW.—Deter-
4 mination of whether a child has a parent-child
5 relationship with another individual shall be
6 made in accordance with applicable State law.

7 (3) FAMILY CLASS OF ENROLLMENT.—The
8 terms “family class of enrollment” and “family en-
9 rollment” mean enrollment in a health plan under a
10 class of enrollment that provides coverage for—

11 (A) an unmarried individual and 1 or more
12 children; or

13 (B) a married couple and 1 or more chil-
14 dren.

15 (4) GROUP HEALTH PLAN.—The term “group
16 health plan” means an employee welfare benefit plan
17 (as defined in section 3(1) of the Employee Retirement
18 Income Security Act of 1974) providing medi-
19 cal care (as defined in section 213(d) of the Internal
20 Revenue Code of 1986) to participants or bene-
21 ficiaries (as defined in section 3 of the Employee Re-
22 tirement Income Security Act of 1974) directly or
23 through insurance, reimbursement, or otherwise.

24 (5) HEALTH PLAN.—The term “health plan”
25 means—

1 (A) any contract of health insurance, in-
2 cluding any hospital or medical service policy or
3 certificate, hospital or medical service plan con-
4 tract, or health maintenance organization group
5 contract, that is provided by a carrier; or

6 (B) a group health plan, an employee wel-
7 fare benefit plan, a multiple employer welfare
8 arrangement, or other arrangement insofar as
9 the plan or arrangement provides health bene-
10 fits and is funded in a manner other than
11 through the purchase of one or more policies or
12 contracts described in subparagraph (A).

13 (6) PLAN SPONSOR.—The term “plan sponsor”
14 means—

15 (A) a plan sponsor described in section
16 3(16)(B)(iii) of Employee Retirement Income
17 Security Act of 1974, but only with respect to
18 a group health plan that is maintained by the
19 sponsor;

20 (B) an employer of an employee covered
21 under a health plan that is a multiple employer
22 welfare arrangement (as defined in section
23 3(40) of the Employee Retirement Income Se-
24 curity Act); or

1 (C) an employee organization that spon-
2 sors such a health plan.

3 **SEC. 3. CIVIL MONEY PENALTY.**

4 (a) VIOLATION.—Any individual who, or entity that,
5 the Secretary of Health and Human Services determines
6 has failed to comply with section 1 shall be subject, in
7 addition to any other penalties that may be prescribed by
8 law, to a civil money penalty of not more than \$500 for
9 each such violation.

10 (b) PROCEDURES FOR IMPOSITION OF PENALTIES.—
11 The provisions of section 1128A of the Social Security Act
12 (other than subsections (a) and (b) and the second sen-
13 tence of subsection (f)) shall apply to the imposition of
14 a civil monetary penalty under this section in the same
15 manner as such provisions apply with respect to the im-
16 position of a penalty under section 1128A of such Act.

17 **SEC. 4. INAPPLICABILITY OF MCCARRAN-FERGUSON ACT.**

18 For purposes of section 2(b) of the Act of March 9,
19 1945 (15 U.S.C. 1012(b); commonly known as the
20 McCarran-Ferguson Act), this Act shall be considered to
21 specifically relate to the business of insurance.

22 **SEC. 5. REGULATIONS.**

23 The Secretary of Health and Human Services may
24 issue regulations to carry out this Act.

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